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C O N F I D E N T I A L SECTION 01 OF 02 BAGHDAD 001084

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TAGS: EAID ECON KCOR PGOV PREL IO
SUBJECT: D/PM BARHAM SALIH MEETS NEW EMBASSY
ANTI-CORRUPTION COORDINATOR

REF: A. A. BAGHDAD 0069
 B. B. BAGHDAD 1070

Classified By: Anti-Corruption Coordinator AMB. Lawrence Benedict, reasons (b) and (d)

¶1. (C) Summary: In his introductory call on D/PM Barham Salih, AMB. Lawrence Benedict described his mission as identifying how the U.S. could best support GOI anti-corruption initiatives. AMB Benedict asked for D/PM Barham Salih's cooperation in this endeavor. D/PM Barham Salih welcomed AMB Benedict and USG support on anti-corruption initiatives. The D/PM advised that the GOI is now implementing an anti-corruption action plan that includes finalizing Iraq's entry into the UN Convention against corruption. D/PM Barham Salih confirmed for AMB Benedict that the Prime Minister's Office had issued an April 1, 2007 order requiring the Prime Minister's approval before corruption cases against GOI could be referred to a court, but explained that without such an order, the work of the government could be brought to a halt on the basis of unproven allegations. End summary.

¶2. (U) In an April 6 meeting at the D/PM residence, EMIN AMB Charles Ries introduced the Embassy's new Coordinator for Anti-Corruption Initiatives (Coordinator) AMB Lawrence Benedict to Deputy Prime Minister Barham Salih. STRAT-EFF MG Mark Zamzow, visiting NSC Director Brett McGurk and emboffs (notetakers) also attended this meeting, which covered a wide range of topics (Ref B).

¶3. (U) After introductory remarks, the Coordinator noted that Ambassador Crocker has assigned him the task of determining how the USG can best assist the Government of Iraq (GOI) combat corruption in the public sphere. The Coordinator reflected briefly on a plan to address corruption that the D/PM had presented at a GOI-organized conference in January 2008 and requested a briefing on GOI progress on the plan's eighteen action items. Mentioning continuing Congressional concern about corruption in Iraq, the Coordinator advised the D/PM that a House Oversight and Government Reform (OGR) Committee CODEL visiting Baghdad later in the week has requested a briefing on GOI measures to fight corruption.

¶4. (U) D/PM Barham Salih welcomed the Coordinator's arrival in Iraq, saying "we need your help on this issue." Corruption is pervasive throughout Iraq, the D/PM said, infecting the conduct of business everywhere -- even within the Coalition. Citing a culture of corruption that included the UN Oil-for-Food program, the D/PM noted the GOI's serious interest in participating in a UNODC/World Bank program to build capacity for recovery of assets stolen by the former regime. Reconfirming that the action plan presented at the January 3 conference remains government policy (Ref A) and that Iraq is proceeding with the steps necessary to become a signatory to the UN Convention against Corruption (UNCAC), D/PM Barham Salih looked forward to the day when the GOI can

employ the powerful tools available under the UNCAC to fight corruption and facilitate recovery of the proceeds of corruption. The D/PM concluded by cautioning the USG against being judgmental as it works with the GOI on anti-corruption measures, saying that the two must always approach the matter as partners.

15. (C) The Coordinator specifically noted that a member of the House OGR Committee, Rep. Henry Waxman, has recently sought additional information from the Secretary of State regarding an April 1, 2007 order from the Prime Minister's Office requiring the Prime Minister's approval before the referral to the court of cases against the President, the Council of Ministers and current and former ministers. Although Rep. Waxman will not travel with this delegation, the Coordinator continued, his colleagues on the CODEL may well ask the D/PM or other GOI officials they encounter to explain an order that appears to sanction political interference with the criminal justice system.

16. (C) D/PM Barham Salih nodded in recognition at the mention of the April 1, 2007 order, saying "Yes, there was a good reason for it." The D/PM described Iraq's criminal justice system as void of necessary checks and balances. While acknowledging the personal integrity of Judge Radhi al-Radhi, the former head of the Commission on Public Integrity (CPI), the D/PM faulted Commissioner Radhi for politicizing his office and launching a public witch-hunt against members of the al-Allawi and al-Maliki governments. Regardless of whether Radhi's charges were true (and Barham Salih acknowledged that many were), the D/PM said that GOI political leaders were aghast that a single judge could unilaterally order the arrest and detention of government officials -- including ministers -- with virtually no

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accountability. The Prime Minister's April 1 order, which the D/PM said had been discussed and approved by the Council of Ministers, was an effort to prevent CPI from intimidating ministers.

17. (C) As reported septel, D/PM Barham Salih came back to the anti-corruption theme when queried his views on whether to offer payment-in-kind to major oil companies that are expected to take advantage of the technical service agreements the Ministry of Oil is now offering. Salih said, "this is a bad idea -- it would open a major loophole for all kinds of problems which we are very capable of exploiting."

18. (C) Comment: D/PM Barham Salih's warm welcome of the Coordinator, tempered by the admonition that the USG not lecture the GOI on the sin of corruption, reflects Baghdad's ground truths. While acknowledging that public corruption creates extraordinary burdens on reconstruction efforts and the delivery of government services, the D/PM's rendition of the sub-text underlying the PMO's April 1 order stressed that political realities must be factored into policies and programs to defeat corruption in the public sphere. The Coordinator continues his introductory meetings with key GOI officials this week, including staff at the Prime Minister's office, where he will raise USG concerns with the April 1, 2007 order.

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